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OF COUNSEL
JAMES F. SHEPHERD

January 26, 1988

Dave Wham
355 West North Temple
Three Triad Center - Suite 350
Salt Lake City, UT 84180-1203

RECEIVED
JAN 27 1988

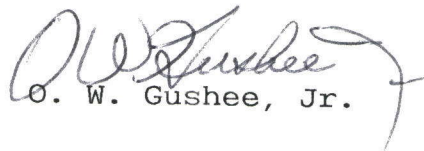
DIVISION OF
OIL, GAS & MINING

Re: Proposed Board Contract,
Crystal Peak Minerals
Corporation, Sevier Dry Lake
Project M/027/008-87(1)
Millard County, Utah

Dear Dave:

In accordance with our telephone conversation, I am enclosing for your further handling a substitute Proposed Board Contract as reclamation surety in the total amount of \$135,169.00 described in the Mining and Reclamation Plan Amendment tentatively approved by your office January 15, 1988. The enclosed item has been dated January 22, 1988 and signed on behalf of Crystal Peak Minerals Corporation.

Very truly yours,


O. W. Gushee, Jr.

OWG:ka
1089.05
Enclosure

0004

Exhibit "B" - SURETY AGREEMENT
BOARD CONTRACT AGREEMENT
Page 2

(4) The terms of this Board Contract and the conditions for release or adjustment of this BOND are as written and agreed to by the Division of Oil, Gas and Mining and the Operator in the COLLATERAL BONDING AND INDEMNITY AGREEMENT to which this Board Contract is attached as Exhibit "B".

Dated this 22nd day of January, 1988.

FOR The State of Utah
Board of Oil, Gas and Mining:

Board Chairman

FOR The Operator: CRYSTAL PEAK MINERALS CORPORATION

By: William V. H. Chalk

APPROVED AS TO FORM:

By _____
Assistant Attorney General

NOTE: An Affidavit of Qualification must be completed and attached to this form for each authorized agent or officer.

NOTE: Where one signs by virtue of Power of Attorney for a company, such Power of Attorney must be filed with this Agreement. If the principal is a corporation, the Agreement shall be executed by its duly authorized officer.

Exhibit "B" - SURETY AGREEMENT
BOARD CONTRACT

Permit Number PRO/027/008-(1)
Expiration Date _____

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
355 West North Temple
3 Triad Center, Suite 350
(801) 538-5340

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BOARD CONTRACT
--oo00oo--

DIVISION OF
OIL, GAS & MINING

Crystal Peak Minerals Corporation, a Utah corporation, (Operator), hereby binds itself, its successors and assigns unto the State of Utah, Board of Oil, Gas and Mining (Board), in the penal sum of One hundred thirty-five thousand one hundred sixty-nine dollars (\$135,169.00) (BOND), and agrees to be held and firmly bound thereunder by the following terms and conditions:

- (1) The Board finds Operator has not been in default of or in non-compliance with Federal and State statutes and regulations pertaining to its operations in the State of Utah; and
- (2) Operator agrees that it will comply, or continue to comply, with all Federal and State statutes and regulations pertaining to its operations in the State of Utah; and
- (3) Operator asserts its net worth is not less than five times the amount of the BOND (as shown by the attached financial statement) and it will maintain such ratio throughout the term of the COLLATERAL BONDING AND INDEMNITY AGREEMENT to which this Board Contract is attached as Exhibit "B"; and

RECORDED
JAN 27 1988

CERTIFICATE OF RESOLUTIONS AND INCUMBENCY


DIVISION OF
OIL, GAS & MINING

I, the undersigned Secretary of Crystal Peak Minerals Corporation, a Utah corporation (herein called the "Corporation"), do hereby certify that the following persons at all relevant times were and are duly elected to the positions listed next to their respective names, were and are qualified to hold those positions, and were and are fully authorized and empowered to execute the instruments and to act for and bind the Corporation for the purposes stated in the Resolutions, and each of those persons now holds that position:

Cecil R. Haden	President & Chief Executive Officer
William V. H. Clarke	Senior Executive Vice President
Mark E. Kuebler	Executive Vice President
Gerald S. Seay	Vice President
Gary T. Barnett	Vice President & Treasurer
Ernestine Stone	Secretary
Arthur R. Meyer	Asst. Secretary & Asst. Treasurer

I am authorized to execute and deliver this certificate on behalf of Crystal Peak Minerals Corporation.

EXECUTED this 1st day of December, 1987.


Secretary

THE STATE OF TEXAS)
COUNTY OF HARRIS)

BEFORE ME, the undersigned authority, on this day personally appeared ERNESTINE STONE, Secretary of Crystal Peak Minerals Corporation, a Utah corporation, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that she executed the same for the purposes and consideration therein expressed, in the capacity therein stated, and as the act and deed of Crystal Peak Minerals Corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this the 1st day of December, 1987.

Notary Public - State Of Texas
My Commission Expires 08-18-90
SUSAN IRENE CARR


Notary Public, State Of Texas